

PSP

March 8, 2010

NOTICE TO THE TRADE – DeCA NOTICE 10-58

SUBJECT: DeCA Worldwide Value Priced Frozen Whole Turkey and Fresh Turkey Parts
Merchandising Program

The purpose of this Notice to the Trade (NTT) is to announce that the Defense Commissary Agency (DeCA) is seeking to establish agreements for Brand Name Value Priced Frozen Whole Turkeys and Brand Name Premier Fresh Turkey Parts. These are two separate, independent programs, and offerors are encouraged to make presentations on either one or both programs.

The current agency program for these same products will expire on July 31, 2010. The new merchandising program will be for a period of one year, commencing on August 1, 2010 and ending on July 31, 2011.

The Marketing Business Unit (MBU) will accept presentations from potential suppliers on March 24-25, for the following three marketing sales areas: (1) Central, Northeast, and Europe; (2) Southern, Midwest, Cuba, and Puerto Rico; and (3) Southwest, Northwest, Alaska, Hawaii, and the Far East. All presentations will be conducted at DeCA Headquarters located at 1300 E Avenue, Fort Lee, Virginia 23801-1800. Specific store locations by marketing area are provided at attachment 2. Offerors may make presentations on any or all of the three marketing areas. DeCA will select a single source for Value Priced Frozen Whole Turkeys and a single source for Fresh Turkey Parts for each individual marketing area, allowing for a possibility of up to six separate awards under this program. However, offerors may be selected for more than one award.

All presentations will be videotaped and will not exceed 1 hour in duration. Each vendor will be given 15 minutes before and after each presentation to prepare and clear the room. To schedule an appointment, contact Ms. Vicki Burgess at (804) 734-8000, extension 48614. All appointments must be made no later than March 19, 2010.

Note: Industry is hereby informed that the government is not liable for any expenses incurred in the preparation of presentations. Items may be shown for presentation purposes but product tasting or meal preparation is not necessary or authorized. In addition, this is not a contractual solicitation; it is a merchandising agreement that is not governed by the Federal Acquisition Regulations. Industry will be permitted to submit a “reclama” in accordance with established guidelines within this NTT.

Mandatory criteria are provided at attachment 1. Individual packets containing forms and schedules for each marketing sales area are also included (attachments 3-5). If you cannot meet

the mandatory criteria as noted in attachment 1, you **should not** schedule an appointment for a presentation.

Order of presentation for the frozen whole turkey and fresh turkey parts program shall be as follows:

- a. Mandatory Criteria – (Items a through v; attachment 1)
- b. Marketing Area(s); Value Priced Frozen Whole Turkey
- c. Grading Criteria (Frozen Whole Turkey)
 - Every Day Low Price (EDLP) and Key Holiday Period Price
- d. Marketing Area(s); Fresh Turkey Parts
- e. Grading Criteria (Fresh Turkey Parts)
 - Every Day Low Price (EDLP)

DeCA maintains an interest in securing the best possible pricing for Value Priced Frozen Whole Turkeys during the key holiday season (October 1st - December 31st). Offerors will notice that estimated quantities for product during this period are higher than during the balance of the calendar year. As such, sources should recognize that offering more favorable pricing during this particular period can expect to be considered more favorably than those sources which do not offer more favorable pricing.

Based on customer preference, the Butterball Whole Frozen Turkey brand is expected to be sold in all DeCA commissaries, subject to an agreement on pricing. In the event that an agreement cannot be reached on pricing, DeCA may elect to issue a separate NTT for a premier Whole Frozen Turkey. As such, Butterball must submit a marketing presentation for an Every Day Low Price (EDLP) throughout the year (August 1, 2010 through July 31, 2011), to include the targeted key period (October 1, 2010 through December 31, 2010). The Butterball brand will not be considered as a value priced frozen whole turkey supplier. However, a presentation can be made as a fresh turkey parts supplier under the brand name Butterball.

Selection Process: An evaluation committee will select suppliers from the companies making presentations for each product category (frozen whole turkeys and fresh turkey parts) and for each respective marketing sales area, based on the criteria set forth herein.

Within 8 calendar days after all presentations are completed, all participating parties will be sent a letter announcing the selection of the supplier for each product category and for each marketing sales area. A debriefing sheet will be forwarded with this letter. A NTT announcing the results will also be completed and placed on the American Logistics Association bulletin board. The final notification letters and the NTT will be forwarded to all participants simultaneously.

Reclama Process: All unsuccessful offerors will be permitted an opportunity to submit a request to reconsider the agency's selection decisions. However, all reclus must be in writing and must be received within 7 calendar days of the date of the notification letters to suppliers. All reclus must be sent to: Defense Commissary Agency, ATTN: MBU (Mr. Brad McMinn),

1300 E Avenue, Fort Lee, Virginia 23801-1800. The MBU will provide a written response within 7 calendar days of receipt of reclama.

File Maintenance:

a. All companies that are not selected under this program as a turkey supplier and have core or discretionary items that are currently within DeCA's system will be "P" coded for phase out 30 days prior to commencement of the new program. After 30 days, these core and discretionary items will be deleted.

b. The merchandising program anticipated start date is August 1, 2010, and continues through July 31, 2011. The program will have a one year duration.

The core items are as follows:

Frozen Whole Turkey Core Listing:

Turkey, Frozen Whole Birds (Hens and Toms) - Class 1, 2, 3, 4, 5

Turkey, Frozen Whole Breast - Class 1, 2, 3, 4, 5

Fresh Turkey Parts Core Listing:

Turkey, Ground (93 percent lean) - Class 1, 2, 3, 4, 5

Turkey, Italian Dinner Mild Sausage (80 percent lean) - Class 1, 2, 3, 4, 5

Turkey, Ground Breast (99 percent lean) - Class 3, 4, 5

Turkey, Wings - Class 2, 3, 4, 5

Turkey, Drumstick - Class 1, 2, 3, 4, 5

Turkey, Boneless Cutlet (93 percent lean) - Class 1, 2, 3, 4, 5

Class 1 stores will stock six of the core items (combined programs) and may stock up to two additional discretionary items for a total of eight items. Class 2 stores will stock seven core items and may stock up to three additional discretionary items for a total of 10 items. Class 3, 4, and superstores will stock the eight core items and may stock up to five additional discretionary items for a total of 13 items.

The discretionary items are as follows:

Frozen Turkey Discretionary Listing:

Turkey, Fully Cooked, Whole

Fresh Whole Turkeys/Fresh Turkey Parts Discretionary Listing:

Turkey, Whole Bird (Hens and Toms)

Turkey, Whole Breast (No Backs)

Turkey, Breakfast Links (80 percent lean)

Turkey, Burgers

Turkey, Strips

Turkey, Marinated Products

Turkey, Thighs (Hen)

Turkey, Necks
Turkey, Drumettes
Turkey, Breast Tenders
Turkey, Wing Portion
Turkey, Half Breast
Turkey, Italian Dinner Hot Sausage (80 percent lean)

Of the total fresh meat case, 30 percent is designated for poultry and 7 percent of the poultry is fresh turkey with the exception of the Northeast and Central marketing areas which will receive 35 percent for poultry and 7 percent of the poultry is fresh turkey.

The point of contact for this program is Mr. LaRue Smith, Category Manager, at 804-734-8000, extension 48255.

/s/
Christopher T. Burns
Director of Sales

Attachments:
As stated